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Approved For Release 2005/05/02 : CIA-RDP78B04770A002400020001-4

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☐ SECRET

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PAR 211

☐ CONFIDENTIAL

☐ UNCLASSIFIED

CONTRACT INSPECTION REPORT

CONTRACT NO.

TASK NO.

TO:

CONTRACT ADMINISTRATION & SETTLEMENT
BRANCH/PD/OL

DATE

2 February 1966

INSPECTION REPORT NO. (If final, so state)

ESTIMATED COMPLETION DATE

Indefinite

NAME OF CONTRACTOR

TYPE OF COMMODITY OR SERVICE

Equipment and Studies (Series of Projects under our contract)

THE CONTRACTOR IS ON SCHEDULE

☒ YES

☐ NO

THE CONTRACTOR WILL PROBABLY REMAIN WITHIN ALLOCATED FUNDS ☒ YES ☐ NO IF ANSWER IS "NO" ADVISE RECOMMENDATION AND/OR ACTION OF SPONSORING OFFICE, ON REVERSE HEREOF. IF KNOWN, INDICATE MAGNITUDE OF ADDITIONAL FUNDS INVOLVED.

PER CENT OF WORK COMPLETED -

PER CENT OF FUNDS EXPENDED -

HAS AN INTERIM REPORT, FINAL REPORT, PROTOTYPE, OR OTHER END ITEM BEEN RECEIVED FROM THE CONTRACTOR DURING THE PERIOD? ☒ YES ☐ NO (If yes, give details on reverse side.)

HAS GOVERNMENT-OWNED PROPERTY BEEN DELIVERED TO CONTRACTOR DURING THIS PERIOD? ☐ YES ☒ NO (If yes, indicate items, quantity, and cost on reverse side.)

INCENTIVES

IS THIS AN INCENTIVE CONTRACT
IF YES, CHECK TYPE

☐ YES

☒ NO

☐ COST

☐ PERFORMANCE

☒ DELIVERY

NOTE:
USE REVERSE SIDE FOR COMMENTS.
FINAL REPORT MUST CONTAIN INCENTIVE EVALUATION.

OVERALL PERFORMANCE OF CONTRACTOR

1. ☐ OUTSTANDING

3. ☐ ABOVE AVERAGE

5. ☐ BELOW AVERAGE

7. ☐ UNSATISFACTORY

2. ☐ EXCELLENT

4. ☐ AVERAGE

6. ☐ BARELY ADEQUATE

IF OVERALL PERFORMANCE OF CONTRACTOR IS UNSATISFACTORY OR BARELY ADEQUATE, INDICATE REASONS ON REVERSE SIDE.

Series of projects, described on reverse.

RECOMMENDED ACTION

☒ CONTINUE AS PROGRAMMED

☐ WITHHOLD PAYMENT PENDING
SATISFACTORY PERFORMANCE

☐ TERMINATE

☐ OTHER (Specify)

IF TERMINATION IS RECOMMENDED OR IF THIS IS A FINAL REPORT PUT COMMENTS ON REVERSE IN NARRATIVE FORM ON CONTRACTOR'S PERFORMANCE AND CERTIFY THAT ALL DELIVERABLE ITEMS UNDER THE CONTRACT HAVE BEEN RECEIVED. THESE INCLUDE, WHERE APPLICABLE, THE FOLLOWING:

ITEM	REC'D	DOES NOT APPLY	ITEM	REC'D	DOES NOT APPLY
PROTOTYPES			MANUALS		
DRAWINGS AND SPECIFICATIONS			FINAL REPORT		
PRODUCTION AND/OR OTHER END ITEMS			SPECIAL TOOLING		
			OTHER GOVERNMENT PROPERTY		

DATE OF LAST CONTACT WITH CONTRACTOR

31 January

SIGNATURE OF INSPECTOR

DIVISION

INSPECTOR'S EXTENSION

SIGNATURE OF APPROVER

FORM 10-65 1897 USE PREVIOUS EDITION

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(12-36)

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PAR 207 "Definitive Study of Contact Printers." Final Report due in February. Proceeding satisfactorily.

PAR 202/224 "Briefing Print Enlarger." Breadboard and tests in final stage. Have waived the final report in order to construct the Prototype which has been authorized as PAR 243. This project is considered outstanding.

PAR 211 "Microdensitometer Study of Effects of Processing." Final Report received on 1 November 1965. Evaluation completed on 31 January. Considered Unsatisfactory.

PAR 212 "Color Acquisition System Review Study." Final Report was received 1 November. Evaluation completed 31 January. Considered Barely Adequate.

PAR 213 "Color Reproduction Systems Review." Final Report was evaluated on 28 December 1965. Considered Below Average.

PAR 216 "Laser Photographic Exposure." Evaluation of Final Report was completed on 29 October 1965. Considered Unsatisfactory.

PAR 217 "Optimization of Lasers." Final Report was received on 1 Nov. 1965. Evaluation was completed on 18 January 1966. Considered Unsatisfactory.

PAR 233 "Zoom Projection Lens." Work has just begun. Visited ☐ 31 January and 1 February 1966. Proceeding satisfactorily.

PAR 242A "Color Demonstration Materials." Proceeding satisfactorily.

PAR 243 "Briefing Print Enlarger Prototype." Commenced this project in January 1966. Great expectations!

COMMENTS:

PAR 211, PAR 212, PAR 213, PAR 216 and PAR 217 all appear to be challenges not met by this particular division ☐ They probably should not have been assigned ☐ as projects since so little has been given in return. Recommend we notify ☐ of general poor quality of research and reporting, then close out these particular projects as "water under the bridge".

Note: PARs 214 and 215 were delivered and installed in NPIC in October/November 1965. They are still undergoing experimental operations although the PARs are completed.

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FILE: 997144

AL 16-100053-1

27 January 1966

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I have received your letter of 3 January, together with its attachment "NPIC Evaluation of PAR 211", dated 30 December 1965. Because of the wording of this evaluation as well as your informal forwarding of it, I am sure you do not desire a sentence by sentence commentary on it.

One of the misconceptions that came up early in the life of this contract was that the services of our Research Laboratory were being bought. I have tried in the past to make it quite clear that this Company will not accept work under contract for any research involving photo-sensitive materials or processes. We might attempt to determine, under contract, what material, process, equipment or combinations of these would best solve a customer problem. Nevertheless, this misconception continues and you could go a long way in establishing rapport between us if you could eliminate it.

I think I would disagree that the processing of the camera films is not of interest to NPIC. Anything which affects NPIC's ability to extract information from the film should be of importance to NPIC even though they may not perform the operation in their own house.

It is true that we had planned to do work on the duplicating films 8430 and 5427. In fact, in our report on 26 February 1965, we indicated that we were ready to start work on these films. By this date, however, we were not only close to our authorized expenditure but were well aware of the feelings of your office concerning our efforts. The stop work order, while formalized in a letter dated 27 April 1965, had been implied in telephone calls and conferences much earlier. The three supplements to this PAR were prepared as a result of specific requests from your office but were not approved upon submission.

I am surprised that there is a complaint that the Final Report includes data previously reported in quarterly and monthly reports. I guess I just thought this was a common practise to collect all of the data even though it might have been mentioned previously.

While your evaluators recognize the circumstances, they apparently failed to realize that what they were reading was a "Termination" rather than a "Final" report. We would be the first to agree that we had not completed the job we had planned to do.

ELG

E. L. G.

PROJ ECT : -
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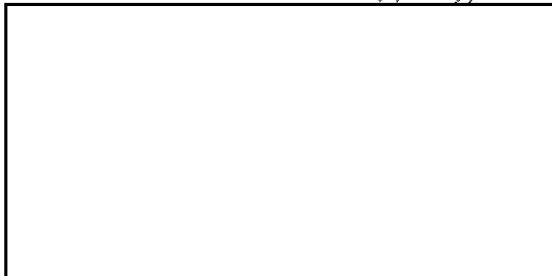
31 1966

Dear Ed:

25X1 I am enclosing a report written by one of my evaluation teams. I fully realize that the report is critical of the work of several of your technical staff members, but rather than sit on it, or equivocate, I thought it would be well to forward it to you for any comments you may wish to make. Although I am unhappy with the results of the final report on PAR 211 (as I am with several other PARs under [] upon which I'll forward comments later), I want you to know that I'm sending our evaluations with an earnest desire to correct whatever differences of concept there may be in the development of the various mutual projects.

I am desirous of maintaining an excellent personal and professional rapport with you and your staff and hope that the enclosed report will be considered under these conditions.

No action has been taken by NPIC with regard to PAR 211, other than to accept it with the enclosed comments. I'm sure that you or your staff will come up with a helpful solution to PAR 211 and that you have our evaluation and recommendations.



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30 December 1965

NPIC EVALUATION OF PAR 2111. BACKGROUND.

a. PAR 211, "Microdensitometer Study of the Effects of Processing on Edges," began in August 1963 as one of the initial "Significant Projects" [] of Contract []

b. In discussions with the Contractor in January 1965, factual information resulting from this study program was requested. Quarterly Report No. 3, dated 26 February 1965 was received in March 1965. On 19 April a stop-work order on PAR 211 was sent by letter to [] provided estimates of the cost of the final report and of briefing aids in a message dated 11 June 1965. According to the [] the program termination was requested in a message dated 18 June 1965. The final report, dated 20 August 1965, arrived in P&DS on 1 November 1965.

2. EVALUATION OF THE CONTENT OF THE REPORT.

a. The content of the final report breaks down as follows:

<u>CONTENT</u>	<u>NO. OF PAGES</u>	<u>% OF TOTAL</u>
Title Page, Table of Contents, List of Illustrations and List of Tables	4	3.2
Text	14	28.5
Illustrations:		
Photographs	1	14.3
Bar Charts	12	24.5
Tables	3	6.1
References	2	4.1
Fortran Program	7	14.3
		100.0%

b. The twelve bar charts in the Final Report are exact copies of the bar charts in Quarterly Report No. 3 dated 26 February 1965. Table 3 in the Final Report is an exact copy of the table on page 18 in Quarterly Report No. 3. This table contains, on a single page, all the data given in the twelve bar charts.

c. Seven pages of this report consist of a "Fortran Program for Acutance Evaluation."

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NPIC EVALUATION OF PAR 211

30 December 1965

3. DISCUSSION OF THE REPORT.

a. Paragraph 1 of the "Study Program Objective," states that both the taking films (4404, 4400, and 4401) and the duplicating films (4402 and 5427) were to be used. The data in the final report is based only on the taking films, 4404, 4400, and 4401. Because these are normally processed by the [redacted] the data in the report is only of academic value since NPIC normally processes only duplicating film. The result is that an expenditure of almost [redacted] was made for information that is not of direct benefit to NPIC.

b. Paragraph 2 (a) of the "Study Program Objective" states "...using a published developer formula...". This does not indicate the use of proprietary developers, and yet, Table 1, Page 9 of the Final Report states "...Formulas for Developers are proprietary except for D-19, which is given below..." Table 1 lists sixteen combinations of taking films and developers. D-19 was used in only three instances. Thus 94% of this data is of only academic interest to NPIC (The developer formulas were provided by the [redacted] only after NPIC stated that refusal to provide would appear to be in violation of the terms of the project objective and the contract). The data which are given in Tables 1 and 2 cannot be correlated directly because Table 1 is based on the use of D-19 and the proprietary developers in the Trenton Process while Table 2 is based on the use of the Altman-Henn developers in a sensitometric process.

c. Paragraph 3, page 6, of the Final Report states "...It was proposed that several high quality negative films would be processed with standard and special purpose developers...". This is at variance with paragraph 1 in the program objective which lists the 8430 and 5427 duplicating films as part of the tests. Paragraph 5, page 7, states "...the proposal called for the use of three photographic films in the project...". Paragraph 5 also states "...the inclusion of other film types was not believed necessary at the start of the project. That assumption appears to be correct...". The fact is that the "proposal" (Study Program Objective) calls for three taking films and two duplicating films, and it appears that [redacted] made the assumption. No reason is given for stating why the assumption appeared to be correct. As a result, the data in the report has no practical value to NPIC unless we start to process taking-film.

d. Paragraph 7c reports the results of tests of low contrast resolving power capability of the films. No results given for 4401 film in the Trenton process nor is any reason given for a lack of data. Supplement No. 3, dated 23 January 1965, proposed the inclusion of Low Contrast Resolving Power and Modulation Transfer Function measurements. It is not understood why [redacted] would ask for additional funds on 2 February for this "additional" work but include data on low contrast resolving power in Quarterly Report No. 3, dated 26 February 1965.

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NPIC EVALUATION OF PAR 211

30 December 1965

e. The "Conclusions" consist of one double-spaced page bearing 250 words. The first paragraph starts with the truism "...the image structure of 4400, 4401, and 4404 film is affected by the type of developer used in processing...". The "Conclusions" end with a statement to the effect that [] sees no reason for testing film types other than the taking films, 4400, 4401, and 4404.

f. The "Recommendations" consist of two double-spaced pages having about 500 words. [] does not recommend a particular film-developer combination. They only recommend that the supplemental phases of the project be completed. The completion would cost at least [] and possibly more. We assume that the additional work would have covered only taking films and developing processes which [] considers proprietary.

4. CONCLUSIONS.

a. Under PAR 211, the [] has not provided information of any great value to the Center. One-fourth of the Final Report, the twelve bar charts, is a repetition of earlier data. Table 3 is also a repetition of earlier data. The seven pages of the Fortran program are of no apparent value to NPIC. The seven photographs are of doubtful value. These four items account for over 50% of the volume of the Final Report.

b. The fourteen pages of text are of doubtful value even if one was to read them as a tutorial paper. There are many truisms such as "...the image structure of 4400, 4401, and 4404 film is affected by the type of developer used in processing...". ("CONCLUSIONS," paragraph 9, page 38). There are several statements such as "...termination of the work phase of this project has made it impossible to realize all of the proposed goals...". ("INTRODUCTION," paragraph 4, page 7). The training evaluator of the Final Report infers that the author relied heavily on Quarterly Report No. 3 and that little was done from the end of December 1964, the apparent cut-off date of the Quarterly Report, until April 1965, at which time [] was notified to stop work. This is confirmed by the expenditure of funds which had reached [] by 24 December 1964, an average of [] month in the calendar year 1964, but increased to only [] by 18 April 1965, an average of [] for these four months.

c. The entire study appears to have been directed more towards what the [] wanted to know about their products than towards the question of direct use to NPIC. This information should have been funded largely, if not entirely, by the [] particularly because they claim that the best developing process is proprietary.

5. RECOMMENDATIONS OF THE EVALUATION TEAM.

In accepting the final report, [] should be notified that

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ION OF PAR 211

30 Dec 1965

the project and the final report are of inconsequential value to
and that:

- (1) Clarification be made why the labeling of the developers is "proprietary" even though the "Study Program Objective" did not state that such information would be withheld. It would seem that data should be provided on the developers to include at least the composition, mixing, and using instruction; otherwise, there appears to be good grounds for withholding payment on that part of the project which is based on the use of "proprietary" developers.

- (2) [redacted] will send the "exposing device" and any other device built under PAR 211 to NPIC at a convenient time.

[redacted]

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*Microdensitometer Study of the Effects
of Processing on Edges"*

2⁴ Qtr Report: Study Objective submitted.

Estimated Factory Cost:

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31 Jan 64: See MFR, this date, approving submitted
Study Objectives.

31 Jan 64: See Memo for Asst for Admin, this date,
requesting that the Contractor be authorized, by
T.WX, to proceed with this study.

3-4 Feb 64: will proceed when message arrives.

6 Feb 64: See message dated 6 Feb 64 authorizing
Contractor to proceed.

MEMORANDUM FOR:

Russ -

Will we get an real valuable
info from low contras. ... Test
where are the test results? No
real information in any report
included. All a bunch of
works.

JPD
(DATE)

8 mo. 15

FORM NO. 101 REPLACES FORM 10-101
1 AUG 54 WHICH MAY BE USED.

(47)

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8 Mar 65

PAR-211:

1. Attachment #6, 24 Nov ⁶⁴~~65~~: item 1 d. "... made after interim examination

2. Course of action

a. Hold Supplements until detailed report is received

b. Request a detailed ^(interim) report based on one page work and over expended as of 24 Dec 65.

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c. Allow 30 days^(?) to provide the report, which must include data on all the combinations of exposure, emulsion and processing which have been tried. Report must contain not only the data obtained to date but also graphs and the conclusions reached. Composition of der "Proprietary" "Final Report"

d. After report is completed, received, accepted and evaluated, we must decide whether to continue or not.

3. If does not want to provide this data in 30 days, then we should terminate PAR-211.

I ask for a final report containing the above info.
 1 Mar 65: Told Bob "Will we take action on approval of shipplane to until we receive data on..."

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